



SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS  
COMMITTEE ON EDUCATION AND THE WORKFORCE  
U.S. HOUSE OF REPRESENTATIVES  
2181 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6100

February 24, 1999

The Honorable William F. Goodling, Chairman  
Committee on Education and the Workforce  
2181 Rayburn House Office Building  
Washington, DC 20515

Dear Bill:

The Subcommittee on Oversight and Investigations met today and approved the report of the Teamsters Investigation. As you know, in the fall of 1997, the Subcommittee began to probe the failed 1996 election of the International Brotherhood of Teamsters (IBT). Campaign fundraising improprieties resulted in an invalidated election, at the cost of nearly \$20 million to U.S. taxpayers.

Those questionable political activities were symptomatic of widespread corruption and abuse of power by IBT leaders. In bringing the union to the brink of insolvency, previous Teamsters leaders failed in their obligations to the rank-and-file members. The report outlines our findings and makes recommendations to improve the union's management and accountability to its members. The report recommends that the Teamsters union do the following:

- Take steps to eliminate government oversight of the Teamsters union, including
  - \*Adopting and enforcing a Code of Ethics
  - \*Empowering International Trustees to be true financial "watchdogs"
  - \*Establishing an office of Inspector General with powers necessary to detect fraud, waste, and abuse
  - \*Establishing an effective compliance program
- Make pension trustees independent (i.e., not officers of the union)
- Develop and adhere to a budget, as well as to a comprehensive financial policy and procedures manual

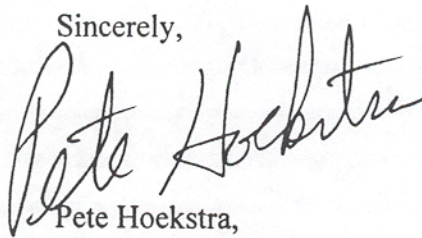
Hon. William F. Goodling  
February 24, 1999  
Page 2

The report also urges an enhanced pace by the Department of Justice in its criminal investigation and improved union oversight by the Department of Labor.

I appreciated your support throughout the investigation. The subpoenas which you were willing to issue and the staff deposition authority which you supported made it possible to make progress despite the obstructionist tactics of IBT leaders.

I look forward to continuing to press for union accountability for the benefit of working men and women throughout our nation.

Sincerely,

A handwritten signature in black ink, appearing to read "Pete Hoekstra", written in a cursive style.

Pete Hoekstra,  
Chairman

C: The Honorable Dennis Hastert  
The Honorable William M. Thomas